

CONSULTING SERVICES PROPOSAL

**FOR THE RENEWAL OF
STUDIO CITY
BUSINESS IMPROVEMENT DISTRICT
(BID)**

**SUBMITTED BY
EDWARD HENNING & ASSOCIATES**

AUGUST 13, 2017

August 13, 2017

Mr. John Walker, Executive Director
Studio City Business District
4024 Radford Ave. Edit 2, Suite 8
Studio City CA 91604

Re: Consulting Services Proposal – Studio City BID Renewal

Dear John:

I am pleased to submit this proposal for consulting services to assist the Studio City BID stakeholders with the renewal of the existing BID.

Proposal details are included in Section B on pages 3-6. The proposal is set up on a not to exceed base fee of \$15,900, plus a contingency, if needed of \$1,500 to cover extra costs such as onsite meetings and/or major late stage modifications to base documents initiated either by the client or the City of Los Angeles. The total not to exceed fee including contingency would be \$17,400. Invoices for progress work will be submitted approximately at the end of each month during the term of the consulting agreement. An advance startup retainer of \$2,500 is requested upon execution of the consulting services agreement. The retainer amount will be credited to the first progress invoice.

I strive to provide my clients with a very flexible, yet comprehensive, hands-on, cost-effective, and professional approach to renewing BIDs. I structure my fees based on a balance of the client's needs, internal staffing capabilities, time restraints and resources available for hiring professional assistance, and, as such, tasks have been modified to allow for the client to carry out many specific renewal tasks; thus reducing my involvement and corresponding consulting fees. Several of these factors are taken into account in this proposal to allow the client to provide ancillary services including renewal graphic design and printing, any map modifications, the petition signing outreach effort and work plan and budget development. I have also only included attendance at one meeting, that being, if needed, at the BID renewal Public Hearing before the Los Angeles City Council. I will provide all needed documents via email to the client and propose that any interaction with your Board and/or Renewal Committee be conducted via tele-conference calls rather than time consuming and costly travel and attendance at local meetings.

I look forward to hearing back from you on this proposal and working with the Studio City BID stakeholders on this renewal effort.

Respectfully submitted,

Ed Henning

Edward V. Henning, Principal
EVH SC BID ren prop

A. CONSULTANT

A1. Consultant Info:

Company Name: Edward Henning & Associates
Team Leader: Edward Henning
Title: Principal Consultant/Owner
Mailing Address: 13330 Buttemere Rd, Phelan CA 92371
Phone #: 760-868-9963 (W); 760-887-7132 (M)
email: mred2@earthlink.net

A2. The Project Team/Roles/Responsibilities

- Consultant (Ed Henning) - Technical, legal, dbase refinement/management, assessment engineering
- Client Staff/Committee/Other – Work Plan and Budget/Program Cost Estimates; Outreach/petition drive/support; supplemental renewal graphics, handout/mailer materials; mass printing/postage for petition and ballot (as needed) mailings; mapping services
- City – Formal adoption process; Prop 218 Ballot process, assessment diagram and roll preparation and processing

B. PROPOSAL

B1. Scope of Work

The proposed work plan is as follows:

1.1 Pre-renewal (Staff and Consultant)

- Preliminary discussions regarding programmatic amendments and modified goals/objectives

1.2 Dbase Preparation (Supplemented & Modified by Consultant, as needed)

- Gather data and evaluate possible expansion area to east
- Research property modifications for dbase update
- Incorporate any adjustments into dbase
- Refine/update and manage property owner and property data throughout the renewal process

(NOTE: Phases 1.3 to 1.9 below constitute development of the required Management District Plan)

1.3. Boundaries (Staff and Consultant)

- Select/verify boundaries/zones
- Supplement dbase, as needed
- Develop revised boundary/benefit zone descriptions, if needed

1.4. Base Level Services (Staff)

- Secure commitment for continuation of base level services, as appropriate

1.5. BID Work Plan Development (Committee/Staff)

- Survey property (and business) owners regarding satisfaction with current BID activities
- Based on survey results and base level analysis, and other discussions and input, identify other needed program elements for inclusion in the renewed BID
- Determine if additional public input is needed (i.e. workshops, focus groups, etc.)
- Develop multi - year BID Work Program (up to 10 years)

1.6. BID Budget Development (Committee/Staff)

- Obtain/provide cost estimates of desired programs, services and improvements
- Develop multi - year BID Budget (up to 10 years)

1.7. BID Assessment Formula (Consultant, as needed)

- Review current BID formula for any data issues/problems
- Provide projected revenue based on any rate increases
- Estimate BID revenues for expansion option
- Provide assessment calculations to property owners throughout the renewal process

1.8. BID Governance/Management Structure (Staff)

- Identify any Association changes needed to represent/manage renewed BID

1.9. BID Legal Document Preparation (Consultant and City)

- Prepare Management District Plan (MDP) (*Consultant*)
- Prepare Prop 218 Engineer's Report (ER) (*Consultant*)
- Prepare custom petitions and modify as needed throughout petition process (*Consultant*)
- Prepare custom Prop 218 Ballots and related documents (*City*)
- Prepare draft BID adoption legal documents (notice, resolutions) (*City*)
- Coordinate Assessment Diagram preparation and recording and Tax Roll (*City*)

Phase 2 - BID Outreach/Education (Committee/Staff)

- Develop strategy plan
- Development of needed BID renewal materials/mailers/handouts
- Outreach program (solos, focus groups, workshops, mailers, phone, etc.)

Phase 3 - BID Support Campaign (Committee/Staff)

- Recruit key volunteers and contacts for this effort
- Strategize/make assignments for distribution & collection of support petitions
- Distribute, collect (*Consultant will assist with monitoring petition threshold, as needed*)
- With 50%+ support, proceed to formal adoption

Phase 4 - Adoption (City and Consultant)

- Conduct BID renewal (*City*)
- Conduct Prop 218 Ballot Election (*City*)
- Attend Public Hearing, assist with presentation, if needed (*Consultant*)
- Record Notice of Assessment and Assessment Diagram with County (*City*)
- Prepare and transmit assessment roll to County (*Consultant and City*)

B2. Project Schedule

STUDIO CITY BID RENEWAL TIMELINE

The renewed BID is targeted to be adopted by July 1, 2019 and funded by January 2020. In order to meet this goal, the following timeline is proposed:

<u>Date</u>	<u>Action/Task</u>
<u>Summer/Fall 2017</u>	<ul style="list-style-type: none">• Pre-renewal review, discussions, framework (Phase 1.1)
<u>Spring 2018</u>	<ul style="list-style-type: none">• Submit new dbase to City (Phase 1.2)
<u>March-June 2018</u>	<ul style="list-style-type: none">• Develop Management Plan (MDP)/Engineer's Report (ER) (Phase 1.3 – 1.9)
<u>June 2018</u>	<ul style="list-style-type: none">• Submit draft MDP and ER to City for review/revision
<u>August 2018</u>	<ul style="list-style-type: none">• Submit Final MDP and ER to City; City approves MDP/ER
<u>Fall 2018</u>	<ul style="list-style-type: none">• Conduct BID outreach/education campaign (Phase 2)
<u>September 2018</u>	<ul style="list-style-type: none">• Initiate petition drive (Phase 3)
<u>Sep – Dec '18</u>	<ul style="list-style-type: none">• Collect support petitions from property owners (need weighted > 50%)
<u>As collected</u>	<ul style="list-style-type: none">• Submit BID petitions to City for verification (Phase 3)
<u>January 2019</u>	<ul style="list-style-type: none">• City Council adopts ordinance of intention to renew BID
<u>February 2019</u>	<ul style="list-style-type: none">• City sends BID ballot and public hearing notice to property owners
<u>April 2019</u>	<ul style="list-style-type: none">• City Council conducts public hearing (ballots due by this meeting)
<u>April 2019</u>	<ul style="list-style-type: none">• City Council approves BID renewal and BID management agreement
<u>Summer 2019</u>	<ul style="list-style-type: none">• City Transmits BID assessment roll data to County
<u>Summer 2019</u>	<ul style="list-style-type: none">• City Records Notice and Assessment Diagram
<u>Dec 10, Apr 10 (due)</u>	<ul style="list-style-type: none">• Assessments billed/collected by County
<u>1st Qtr 2020</u>	<ul style="list-style-type: none">• Revenues remitted to BID via City per contract
<u>2020 to end of term</u>	<ul style="list-style-type: none">• BID association carries out District programs and services

B3. PROJECT BUDGET**(a) Project Budget****Labor**

Phase	Description	Estimated Budget (Est Hrs)
1.1	Pre-renewal review, discussions	\$ 300 (2)
1.2	Dbase	\$ 2,250 (15)
1.3	Boundaries	\$ 750 (5)
1.4	Base Service Analysis	\$ 0 (0)
1.5	Work Plan	\$ 0 (0)
1.6	Budget	\$ 0 (0)
1.7	Formula/Calcs	\$ 2,250 (15)
1.8	Governance	\$ 0 (0)
1.9	Engineering/Legal	\$ 7,500 (50)
2.0	Outreach/Education	\$ 0 (0)
3.0	Sales/Support/Petitions	\$ 2,250 (15)
4.0	Adoption	\$ 600 (4)
	Subtotal base fee	= \$ 15,900 (106)
	Contingency (if needed)	= \$ 1,500 (10)

Expenses

Travel expenses (1 public hearing)	=	(included)
Misc Expenses (limited postage and copies, if needed)	=	(included)
TOTAL NOT TO EXCEED FEE	=	<u>\$17,400</u>

NOTE: The estimated hours may vary from task to task but will be billed against each line item budget based on respective billing rate and progress and percentage completion at each billing period. While line item surpluses and deficits may occur due to unforeseen circumstances, the total not-to-exceed figure will be honored with no project impact. There are 0 site visits/meetings proposed during the total contract period except for attendance at 1 City Council meeting, if needed. Additional meetings, if needed, would be billed at the Consultant billing rate below, plus one-way travel from Consultant's office from the Contingency.

Billing Rates

Ed Henning = \$150/hr

Billing Terms

Billing each 30 day period for progress work completed per Task/Phase during previous month

C. RESPONDENT QUALIFICATIONS

C1. Team Participants and Qualifications

Edward Henning & Associates (EHA) one of the foremost BID/PBID authorities in California who will furnish all needed technical, legal, petition/ballot procedural expertise for the project.

C2. BID/BID Experience

Ed Henning of Edward Henning & Associates (EHA) is a licensed California professional Civil Engineer and has directly worked in over 70 communities on every aspect of BIDs and PBIDs over a 30 year span. In addition, since the approval of Proposition 218 (“The Right to Vote on Taxes Initiative”) by the voters of California, Mr. Henning has analyzed and provided engineering certification for over half of the 200+ PBIDs in the State of California. Mr. Henning has been recognized as an authority in these matters by City Attorneys throughout the State.

Mr. Henning has been a regular speaker on the topic of Business Improvement Districts for the League of California Cities, the State Department of Commerce and the California Downtown Association and has been interviewed frequently on this subject by news publications including the LA Business Journal and the LA Times. Mr. Henning authored a feature article for Western City Magazine entitled: “The Business of Business Improvement Districts is Booming”. Mr. Henning has served as President and Board Member of both the Whittier Uptown BID Association and the statewide California Downtown Association

BID/PBID services provided by EHA include:

- BID/PBID FORMATIONS
- BID/PBID LEGAL COMPLIANCE AUDITS
- PROP 218 ENGINEER ANALYSES
- BID/PBID REVENUE OPTIMIZATION ANALYSES
- BID/PBID ANNUAL AND 5/10 YEAR RENEWALS
- BID/PBID MODIFICATIONS/EXPANSIONS
- OTHER BID/PBID LEGAL/TECHNICAL ADVISING

COMPANY PROFILE: EDWARD HENNING & ASSOCIATES

Edward Henning and Associates is a multi-disciplined consulting firm offering a diverse range of business district funding and planning services focusing on downtown business districts and the unique problems and opportunities associated with center city areas.

Types of assessment district services provided

- Business Improvement District (BID & PBID) Formation, Modification, Expansion, Renewal, Admin
- Other Assessment District Formation, Modification, Expansion, Renewal, Admin
- Prop 218 Assessment Engineering Analyses and Reports (Registered CA Professional Engineer - Civil)

Partial list of agencies and clients represented in BID & PBID projects:

• Town of Apple Valley	PBID Formation (Village); 2 Renewals
• City of Berkeley (Shattuck Area)	BID Formation (Hybrid BID/PBID district)
• City of Culver City	BID Formation (Downtown)
• City of Glendale	BID Formation (Adams Square)
• City of Huntington Park	BID Formation (Pacific Blvd)
• City of Huntington Beach	BID Formation (Auto Row District)
• City of Los Angeles - Larchmont Village - Los Feliz Village - Brentwood Center - Wilshire Center district)	PBID Formation, 2 Renewals BID Formation BID Formation (private sector “volunteer” district) BID Formation & Major Expansion (hybrid BID/PBID
• City of Monterey Park	BID Modification (Downtown)
• City of Newport Beach	BID Advising
• City of Oxnard	PBID Formation, 3 Renewals
• City of Pasadena - Playhouse District - South Lake Avenue	PBID Formation, 3 Renewals PBID Formation, 2 Renewals
• City of Santa Ana	PBID Formation (Downtown)
• City of Vacaville	BID Formation (Downtown)
• City of Whittier	BID Modification (Downtown)
• City of Yucaipa Renewal	PBID Formation, 2 Renewals; Phase II Formation &

PBID ASSESSMENT ENGINEER/PROP 218 COMPLIANCE

City of Los Angeles and Vicinity

Gateway to LAX - Historic Core - Hollywood - Woodland Hills - Encino - Sylmar - Northridge -

Melrose - Granada Hills - Westwood - Brentwood - Lincoln Heights - South Park - Sunset - Tarzana - Canoga Park - LA Industrial - Latin Quarters - Chinatown - Melrose - Pan. City - Sherman Oaks - Central Avenue - South Park II - Venice Beach - Thousand Oaks - Glendale - Arcadia - Downey - Whittier

Northern CA

20 business districts in San Francisco/Sacramento regional area

Edward Henning & Associates

URBAN REVITALIZATION • FUNDING

San Diego Area

5 business districts in San Diego and vicinity City

CLIENT REFERENCES

Agency/City:	Pasadena Playhouse District Association (2001, 2006, 2011, 2016)
Project Name:	Playhouse District PBID
Project Scope:	Established a \$500 k/yr PBID for clean and safe, marketing and beautification Renewed/expanded \$900k PBID in 2006, 2011 and 2016
Contact Person:	Brian Wallace, Executive Director PDA, 626-744-0340
Agency/City:	Oxnard Downtown Management District (2001, 2006, 2011, 2014)
Project Name:	Downtown Oxnard PBID
Project Scope:	Established a \$400 k/yr PBID for clean and safe, marketing and beautification. Renewed/expanded \$500k PBID for 5 years in 2006, renewed in 2011 and 2014
Contact Person:	Abel Magaña, Executive Director, 805-385-2705
Agency/City:	South Lake Business Association (2007, 2012, 2017)
Project Name:	South Lake Avenue PBID
Project Scope:	Established a \$500 k/yr PBID for maintenance, marketing and beautification Renewed \$600k PBID for 5 years in 2012 and a \$650k/yr PBID in 2017
Contact Person:	Gina Tleel, Executive Director, 626-792-1259
Agency/City:	City of Yucaipa. (1997, 2002, 2009, 2012, 2017)
Project Name:	Yucaipa Uptown PBID
Project Scope:	Established a 2 phased PBID to maintain City funded streetscape and renewed Phase I for 10 additional years in 2002 and 2012 and Phase II for 10 yrs in 2014
Contact Person:	Paul Toomey, Community Development Director, 909-797-2489, ext 231
Agency/City:	City of Santa Ana (2009)
Project Name:	Downtown Santa Ana PBID (Local Statute – Community Management District)
Project Scope:	Established a \$950,000/yr CMD for maintenance, marketing and beautification.
Contact Person:	Tom Eidem, Former Downtown Manager, 949-369-5030